

HEADQUARTERS FLASH POLICY

FLASH POLICY 2003-18

DATE: August 5, 2003
TO: Procurement Directors
FROM: Office of Procurement and Assistance Policy, ME-61
Office of Procurement and Assistance Management

SUBJECT: Foreign Ownership Matrix

SUMMARY: For contracts subject to Foreign Ownership, Control and Influence processing (those requiring access authorizations (security clearances) for contractor employees, and a facility clearance for the contractor), Contracting Officers

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may need to acquire significant documentation of ownership. The documentation varies depending on the type of ownership. The NNSA Service Center and The Office of Safeguards and Security Policy have developed a matrix to help guide you through the requirements.


Contracts that require access to restricted data or special nuclear material require access authorizations (security clearances) for contractor employees and a facility clearance for the contracting organization. When a solicitation is issued which will require access authorizations and facility clearances, it must include a solicitation provision, Facility Clearance, at DEAR 952.204-73, as well as the Security clause at DEAR 952.204-2. One of the considerations before granting or denying a facility clearance is the nature of any foreign ownership and the degree to which such foreign ownership might control or influence the operations or management of that organization such that security interest might be compromised.

Information on which to make the foreign ownership decision is collected through use of the Standard Form 328, Certificate Pertaining to Foreign Interests, and it's supporting documentation. Supporting documentation includes a Summary FOCI Data Sheet, a Representative of a Foreign Interest Statement, and a list of Owners, Officers, Directors, and Executives. Depending on the type of business involved and the extent of foreign ownership, there may be additional supporting documents required, examples include an individual's tax return for a sole proprietorship or an annual report to shareholders for a publicly traded corporation.

The Albuquerque Office of Contracts and Procurement, with the help of the Headquarters Security Policy Staff, has developed the attached FOCI Requirements Matrix. The columns across the matrix identify the type of ownership ranging from a sole proprietorship to a college/university. The rows of the matrix relate the types of information being collected such as a business structure, standard information, financial interest, etc.. Additional information may be found in DOE 470.1.

Thanks to Teresa Loschke, AL, and Lois Todd, SO-11 for developing the matrix.

For questions related to this Flash, contact Richard Langston at (202) 586-8247 or via e-mail at Richard.Langston@PR.DOE.GOV


Robert M. Webb
Acting Director

Attachment